Post-Acute Care Alignment Strategy
Management & Operations Track
Tuesday, July 29, 4:45 – 5:45 pm

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Florida Presbyterian Homes

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DHG Healthcare
Learner Objectives

• Define your organization’s “current state” in terms of its readiness to enter into risk-based payment arrangements

• Identify specific strategies and tactics to advance your organization’s ability to succeed in this transformational environment

• Investigate the importance of post-acute care integration and alignment to ACO and other risk-based payments from the provider and hospital/health system perspectives
### Payment Reform Shifts Risk & Rewards Value

<table>
<thead>
<tr>
<th>Fee for Service</th>
<th>Pay-for-Performance</th>
<th>Value-based Purchasing</th>
<th>Bundled Payments</th>
<th>Shared Savings</th>
<th>Global Payments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Providers paid a specified amount for each service provided.</td>
<td>Incentives for higher quality measured by evidence-based standards.</td>
<td>Percentage reimbursement at risk, earned back by high quality outcomes.</td>
<td>Single payment for episodes of treatment, shared by hospital and physicians.</td>
<td>Percentage of savings from reduced cost of care shared with hospitals and physicians.</td>
<td>All services compensated in one payment that manages the patient across the delivery system.</td>
</tr>
</tbody>
</table>

#### Risk

- **Payers**

#### Volume

- **Incentives/Rewards**

#### Value

- **Providers**

**Source:** HFMA 2010 The Advisory Board 2010
Accountable Care Organization (ACO)

• Medicare Shared Savings Program (MSSP)
• Hospitals, Physicians, Medicare
• Minimum 5,000 Medicare beneficiaries
• > 300 ACOs nationwide
• 34 ACOs in Florida
ACOs in Florida
Key to ACO Success – Reduced Utilization

- Support lower-cost care site placement
- Reduce readmissions
- Manage complex, high utilization patients
Benefits to PAC Providers

• Consistent referral streams
  – Networks of collaborative PAC providers to ensure high-quality post-discharge patient management → reduce costs and avoid readmissions

• Network development support
  – IT infrastructure

• Performance-based revenue
  – Bonus based on pre-defined cost and quality metrics
Bundled Payments

<table>
<thead>
<tr>
<th>Model 1</th>
<th>Model 2</th>
<th>Model 3</th>
<th>Model 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Episode</td>
<td>All acute patients, all DRGs</td>
<td>Selected DRGs, hospital post-acute period</td>
<td>Selected DRGs, hospital plus readmissions</td>
</tr>
<tr>
<td>Services</td>
<td>All Part A services paid as part of the MS-DRG payment</td>
<td>All non-hospice Part A and B services during the initial inpatient stay, post-acute period and readmissions</td>
<td>All non-hospice Part A and B services during the post-acute period and readmissions</td>
</tr>
<tr>
<td>included in the bundle</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payment</td>
<td>Retrospective</td>
<td>Retrospective</td>
<td>Retrospective</td>
</tr>
<tr>
<td># in Florida</td>
<td>1</td>
<td>14</td>
<td>59</td>
</tr>
</tbody>
</table>

Payment:
- Retrospective
- Prospective

# in Florida:
- 1
- 14
- 59
- 1
Bundled Payments in Florida
A readmission can more than double the episode cost.

**Chart 6:** Cost of a 30-day Fixed-length Episode with and without a Readmission, 2007-2009

<table>
<thead>
<tr>
<th>DRG Code</th>
<th>No Readmission</th>
<th>Readmission</th>
</tr>
</thead>
<tbody>
<tr>
<td>247</td>
<td>$23,527</td>
<td>$5,514</td>
</tr>
<tr>
<td>470</td>
<td>$29,803</td>
<td>$18,128</td>
</tr>
<tr>
<td>481</td>
<td>$32,262</td>
<td>$23,034</td>
</tr>
<tr>
<td>192</td>
<td>$19,243</td>
<td>$14,977</td>
</tr>
<tr>
<td>194</td>
<td>$23,844</td>
<td>$8,492</td>
</tr>
<tr>
<td>291</td>
<td>$12,075</td>
<td>$12,301</td>
</tr>
</tbody>
</table>

247: Percutaneous cardiovascular procedure with drug-eluting stent w/MCC
470: Major joint replacement or reattachment of lower extremity w/o MCC
481: Hip & femur procedures except major joint w/CC
192: Chronic obstructive pulmonary disease w/o CC/MCC
194: Simple pneumonia & pleurisy w/CC
291: Heart failure & shock w/MCC

LeadingAge Florida’s 50th Annual Convention and Exposition

(re)defining age

Community-Based Care
- Preventive Care
- Retail Pharmacy
- Physician Clinics
- Ambulatory Procedure Center
- Diagnostic/Imaging Center
- Urgent Care Center
- IP Rehab
- SNF
- Home Care
- OP Rehab
- Acute Care
- Hospital
- Home
- Wellness and Fitness Center

Acuity

IP = inpatient; OP = outpatient; SNF = skilled nursing facility.
St. Joseph’s John Knox Tampa Bay

- **255** independent living units
- **118** assisted living
- **43** memory care
- **163** skilled nursing beds
- Owned by St. Joseph’s Hospital, part of the BayCare Health System (11 hospitals)
St. Joseph’s John Knox Tampa Bay

• Large CCRC campus
• Urban setting
• Heavier healthcare than a “normal” CCRC
• Great reputation – over 40 years in the community
• Many managed care contracts (negotiated by the hospital).
Expanding our Footprint to Serve the Community

Access Points
- 2010: 216
- 2013: 284
  (includes Winter Haven)

- St. Joseph’s John Knox Village
- Non-affiliated Hospitals
BayCare Health System

BayCare is going to be a pilot for the Medicare ACO plan in the Tampa Bay area – they will be assigned a number of patients and be held financially responsible for their care. This gives them a “trial” period and a few ways to “exit” if it goes wrong.

Not sure when they will have bundled payments, most likely if they decide to go forward with the ACO model.

St. Joseph’s John Knox is not participating in any bundled payment programs at this time.
FOUR QUESTIONS
1. Do you know your readmission rates?

- 7-day and 30-day
- INTERACT
- Measuring and reporting
BayCare Dashboard – Post Acute Care
BayCare Dashboard – Post Acute Care

Discharge to Acute Care

- 20% reduction from 2013
- 15% reduction from 2013
- Discharge to Acute Care
- UCL = +3σ = 17.00%
- LCL = -3σ = 6.00%

Physical Restraint Days (per 1000 pt days)

- 20% reduction from 2013
- 15% reduction from 2013
- Physical Restraint Days (per 1000 pt days)
- UCL = +3σ = 31.85
- LCL = -3σ = 0.53
BayCare Dashboard – Post Acute Care

**Significant Med Event Rate per 1000 pt days (D-I)**

- 20% reduction from 2013
- 15% reduction from 2013

**Significant Med Event Rate per 1000 pt days (D-I)**

- UCL = +3σ = 0.45
- LCL = -3σ = 0.00
BayCare Dashboard – Post Acute Care

**Cdiff Rate (per 1000 pt days)**

- 20% reduction from 2013
- 15% reduction from 2013
- Cdiff Rate (per 1000 pt days)
- UCL = +3σ = 0.52

**CAUTI Rate (per 1000 device days)**

- 20% reduction from 2013
- 15% reduction from 2013
- CAUTI Rate (per 1000 device days)
- UCL = +3σ = 10.15
- LCL = -3σ = 0.00
BayCare Dashboard – Post Acute Care

Discharges to Community

- 20% reduction from 2013
- 15% reduction from 2013
- Discharges to Community
- UCL = +3σ = 0.75
- LCL = -3σ = 0.62
2. Do you know the top conditions at your community that account for avoidable readmissions?

- 15 conditions account for nearly 60 percent of all readmissions
- Readmission penalties for hospitals
- Have you implemented changes or programs that resulted in improved outcomes?
- If you can demonstrate reduced readmissions, can you provide your local hospital with a “progress report”?
- SNF readmission rates go public in 2017
3. Are you prepared to participate in a continuing care network with your local hospital or health system?

- Capacity
- Quality
- Cost
- Satisfaction
- Readmission performance
Hallmarks of Effective PAC Networks

<table>
<thead>
<tr>
<th>High-Quality Partners</th>
<th>Standardized Transfer Protocols</th>
<th>IT Connectivity</th>
<th>Empowered Patients and Staff</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Rigorous selection process</td>
<td>• Clear expectations for complex, after-hours transfers</td>
<td>• Real-time market availability</td>
<td>• Compliant patient education</td>
</tr>
<tr>
<td>• Staff support at affiliates</td>
<td>• Objective rotation system for rejected cases</td>
<td>• Quality transparency</td>
<td>• Triage resources for case management and physicians</td>
</tr>
<tr>
<td>• Performance monitoring of network</td>
<td></td>
<td>• Electronic patient information transfer</td>
<td>• Staff education</td>
</tr>
</tbody>
</table>

Source: 2010 The Advisory Board Company
4. Do you have a transition of care program or team?

- Nurse navigators
- PAC-man (Post-Acute Care Manager)
- Discharge checklists
- Medication reconciliations
- Contact with hospital
- Clinical protocols
Post-Acute Care Reforms

- FY2015 – SNF payments to increase 2% (subject to wage index revisions)
- October 1, 2016 – CMS measurement period for risk-adjusted hospital readmission begins for SNFs
- October 1, 2017 – SNF readmission info on medicare.gov
- 2019 – at least half of all payments to PAC will be bundled
- 2019 – SNFs will be penalized for hospital readmissions
- Site-neutrality – common assessment tool
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Post-Acute Care

- Acute Care
- Hospital
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- SNF
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- Home Care

Home

Wellness and Fitness Center

IP = inpatient; OP = outpatient; SNF = skilled nursing facility.
Florida Presbyterian Homes

- 175 ILU
- 38 ALF
- 48 SNF
Strategic Plan

• **2011:** Enhance or expand delivery of services (e.g., healthcare delivery and quality, research, technology and connectivity) **through** supportive strategic partnerships.

• **2014:** Enhance or expand delivery of services (e.g., healthcare delivery and quality, research, technology and connectivity) **including** supportive strategic partnerships.
[re]defining age

FPH Partnerships

• City of Lakeland
• Lakeland Regional Medical Center
• Watson Clinic
• USF Aging Studies
• UCF Rosen College
• Florida Sterling
• Evangelical Homes of Michigan
CMS Changing Expectations

- Lower Reimbursement

✓ Quality: INTERACT, falls, infections, vaccinations, hospitalizations & readmissions.
  - What’s happening campus wide

× Stewards of Resources: LOS, post discharge follow-up

× Value Added Services: after hours admissions, skilled therapies 7x/week, staffing for complex cases
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FPH Quality

• AHCA/NCAL: Bronze Commitment to Quality
• Music & Memory
• Media Hits: 52 in 2013
[re]defining age

FPH Strategies

• Enhance the Campus
• Educate the Workforce
• Articulate the Vision
• Strengthen Partnerships
• Expand Outward
• Learn and Share
• Be it!
Questions?